# GOVERNMENT OF INDIA
# COMMERCE AND INDUSTRY
# LOK SABHA

UNSTARRED QUESTION NO:577
ANSWERED ON:03.12.2004
EVALUATION OF THE NON-FERROUS METALS PRODUCTION COST
Nayak Shri Ananta

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) whether the Government have evaluated the cost of production of domestic Non-Ferrous Metals Industry vis-Ã -vis overseas smelters with specific emphasis on infrastructural cost, power cost in industries such as copper, lead and zinc; and

(b) the measures taken by the Government projecting the investment made by these Non-Ferrous Metals industries?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

(a) & (b): The industrial policy of July 1991 has opened all manufacturing activity to competition. Trade policy reforms were brought in to promote efficiency. With liberalization of industry and trade, lifting of quantitative restrictions and progressive scaling down of tariffs, the decisions regarding evaluation of costs to buy indigenously produced vis-a-vis imported metals like copper, lead and zinc and to undertake investment in industries are taken by the entrepreneurs on the basis of their own commercial judgment and the international competitiveness of the indigenous output. The domestic investment and output levels are determined, inter alia, by the market forces.

The Government has opened the mining sector in 1993 after the amendment of the National Mineral Policy. The sector is opened to Foreign Direct Investment (FDI).